

BOOK REVIEW

PRUGH, THOMAS with ROBERT COSTANZA, JOHN H. CUMBERLAND, HERMAN DALY, ROBERT GOODLAND, and RICHARD B. NORGAARD. 1995. **Natural Capital and Human Economic Survival**. (ISBN 1-887490-02-7, pbk). International Society for Ecological Economics, P.O. Box 1589, Solomons, MD 20688, \$18.95, 198 pp.

Economists use many economic indices to forecast the healthy state of world and national economies but these models fail miserably to integrate the dynamics and principles of living systems into final outcome measures. Hawken states in the foreword: "The fact that we have excluded natural capital from the balance sheet of companies, countries, and the world is an extraordinary omission and error." Our world economies have become more and more productive but at the expense of using more and more natural capital to generate energy, metals, roads, buildings and factories, infrastructure and worldwide communication systems. Our economic systems operate on the unlimited use of natural resources instead of limiting use by including life sustaining renewable resources. The authors argue for stabilization of population growth and ways to improve the productivity of natural capital. This book is about the recognition and importance and preservation of earth's natural capital. Our exploitive and extractive economy must be replaced with sustainability and renewal of natural capital. Proper evaluation of natural capital must be reflected in getting the prices right for the costs of goods and services.

There are four main sections: Section I. reviews the problems with how conventional economies treat the natural environment and describes the alternatives using ecologically based economics; Section II. describes the definition, function and valuation of natural capital; Section III. introduces some concepts and policy tools for managing natural capital for a sustainable future; the afterword poses a series of value systems such as knowing our place, thinking in circles, scaling back, taking our measure, and full empowerment. Prugh states: "We must be the change we wish to see in the world."

There is an appendix that lists some tools for personal and community action and a glossary of terms. The references are mostly from the 1980s and 1990s. This book is must reading for environmentalists who must understand ecological principles in terms of economic systems.—*Harold W. Keller, Research Associate, BRIT.*